

MINUTES OF THE READING HOUSING AUTHORITY

The Regular Meeting of the Reading Housing Authority for the month of September was held at Franklin Tower Apartments, 120 South Sixth Street, Reading, Pennsylvania on September 28, 2010.

Members of the staff attending were as follows: Mr. Daniel F. Luckey, Executive Director; Mr. Ronald J. Fioravanti, Deputy Executive Director; Mr. David C. Talarico, Maintenance Superintendent; Mr. George F. Eisenhauer, Purchasing Agent; Ms. Gloria J. Guard, Property Manager; Mr. Josh Smith, Property Manager; Mr. Charles K. Huckstep, Administrative Assistant; Mrs. Carolyn K. Bower, Section 8 Coordinator; Mr. Frederick H. Prutzman, Building Construction Inspector; Mrs. Leonilda Feliciano, Resident Selection Supervisor; Mrs. Stacey J. Keppen, Social Services Director; Mr. John Knockstead, County Caseworker; Mrs. Grisel Saez, County Caseworker; Mr. David R. Chlebowski, Computer Systems Analyst and Mrs. Elaine K. Adesso, Executive Secretary. Attorney Ed Stock, Solicitor for the Authority, Mr. Valdis Lacis, Reading Eagle Reporter and ten residents were also present.

Rev. Belinski, Acting Chairman, called the regular meeting to order at 5:00 p.m., and upon roll call those present and absent was as follows:

Present: Rev. Steven E. Belinski
 Mrs. Lillie Mathies
 Mr. Eligio C. Colon, Jr.
 Mrs. Rebecca Acosta

Absent: Mr. Nelson A. De Leon

The Acting Chairman announced that Mr. Salvador Nieves, a resident of Franklin Tower had signed the register to speak at the Board Meeting.

Mr. Nieves had a complaint in regards to his kitchen. He is upset that he pays \$600.00 a month and has no new cabinets. The cabinets that he has do not look anything like his neighbors. Mr. Talarico explained that his unit is an ADA unit. There are 26 ADA units like his at the High Rises. Because of renovations back in 1996, new kitchens for these units have not been installed. The ADA unit kitchens are in good condition and are in full compliance. Some electrical upgrades, though, had to be done. Mr. Talarico advised Mr. Nieves to submit a work order for his countertop, which he claimed was a little shaky.

A motion was made by Mr. Colon, and second by Mrs. Mathies, approving the minutes of the Regular Monthly Meeting held August 10, 2010. The motion was carried unanimously.

A motion was made by Mrs. Mathies, and second by Mrs. Acosta approving the bills as submitted by Mr. Fioravanti for the period of August 1, 2010 thru September 17, 2010. The motion was carried unanimously.

The following balances in bank and on account were reported for the month of July 2010.

Fund	Cash or Checking	Investments	Escrow	Total
W-66 General	\$3,644,092.89	\$6,447,755.06	\$268,617.48	\$10,360,465.43
P-4628 General	141,823.13	228,008.30	0.00	369,831.43
P-15 General	3,427.89	498,863.25	74,079.57	576,370.71
Payroll	0.00	0.00	0.00	0.00
River Oak Apts.	14,682.87	0.00	40,466.49	55,149.36
Total	\$3,804,026.78	\$7,174,626.61	\$383,163.54	\$11,361,816.93

A motion was made by Mr. Colon and second by Mrs. Mathies that the Treasurer's Report be accepted and filed. The motion was carried unanimously.

The Executive Director submitted the following report:

COMPREHENSIVE GRANT PROJECTS

A. 218 – 2009 Capital Funds – This allocation is being spent on the kitchens and is sufficient to complete the entire project, it will be included in future funding.

B. 219 - 2010 Capital Funds – This has been approved by HUD. As I mentioned before, HUD has been questioning our funding of the Police, Olivet Boys and Girls Club, the Wellness Program and other related services we provide to our residents. We have been providing these services out of our Capital Fund ever since HUD discontinued the Drug Elimination Program and we were told these were eligible work items.

STIMULUS FUNDING – The High Rise kitchen project is complete for the most part with some punch list items remaining. As the Board can see, there are some change orders which need to be passed this month as the work has been done. All of the items have been mentioned before and we had to wait till the end to give the final amount of the change orders and in all cases an analysis was done to ensure costs were reasonable. Though in situations such as this, one can not go out and get another price but we feel these costs are reasonable.

CO-GENERATION PLANT AT GLENSIDE – As I mentioned before, the equipment for this project is 8 to 10 months out as the manufacturer builds them to order and we have started the process for this project. Also, we are looking into funding this project through an extension of the Honeywell Energy Savings Program. However, we are concerned about the costs and are in the midst of negotiating with Honeywell to bring the costs down to a more reasonable level. If we are able to do that, we will more than likely have a resolution for the Board next month.

I should point out the regulations regarding this require us to go back to Honeywell and no other energy savings Company and that is the reason we are staying with them. I can assure you, Honeywell and other energy savings companies were instrumental in having the regulations written this way.

PARK PLACE ON PENN STREET PROJECT- We are still waiting for the economic climate and consumer interest to increase so we can sell more of these units. In addition, we are still working on an application that will give us the official condominium status that is necessary for banks to lend money for the purchase of these condos. As I understand, unless a bank is willing to hold onto a mortgage (i.e., keep it in its portfolio) they will sell the mortgage and unless the condo has been approved by Fannie Mae, the mortgage cannot be sold. Therefore, it is in our best interest to apply for this and get the development approved officially as a condo project.

RIVER OAK APARTMENTS – Overall, this development is not making money as yet and owes a bit of money to Sylvania. Once we have them fixed up, to the point we feel, we will be able to make this project viable. As it stands right now we are not treading water, but hope to get it back on line.

Though, I should mention the project is in better physical shape than when we took management of the development and we are happy with the results to date, but have farther to go in this area.

YOUTHBUILD PROGRAM - Currently, the YouthBuild program is gearing up for the fall and it is lining up potential trainees, making sure they are ready for the next cycle. Everyone is looking toward the start of the next cycle and hope it is as successful as the last one.

We had thought they would be training now, but are not, so this program is now on hold until the next cycle of trainees starts. I should add, we are very pleased with this program as it has done over 18 kitchens to date and we are about one third done on our kitchens and have made them very marketable. Overall this program has been a success for both parties as we have completed about 18 kitchens which represent about 25% of the units.

CITY OF READING POLICE PATROLS – The Police program is doing well and we are still being supported in the operation of this program with the City of Reading. We continue to have among the safest neighborhoods any where in the City. Both Oakbrook and Glenside Homes have very little issues with crime.

FHEO/DOJ STATUS – RHA is nearing completion of the final submission to HUD for the development of these units and we received HUD's approval on our first submission for this development.

As I noted before, it was our intent to take funds out of the 2010 Capital Fund to pay to build these units and use our Operating reserves to pay for the kitchens. Unfortunately, HUD made a determination this was or is not permitted even though the regulations clearly (at least from my reading of the regulations) forced us to change and pay for the kitchens from our Capital Fund and do something else for the 504 units. Currently Otto and Whitney are developing strategies for the funding of this project and while we don't need to do anything until next year, we are currently in compliance with the DOJ.

Possible funding strategies:

1. QHWRA states that a HA could borrow monies and then pay it back out of the operating funds.
2. Borrow against future capital funds (i.e. next years Capital Fund) and pay it back from future monies.
3. Wait till we receive our next Capital funding to begin building.

It is planned that we will construct all of the units at once so we meet the requirements of the agreement with DOJ. In the coming weeks, we will be submitting a final construction development plan to HUD for their review and approval of this project.

GOOGLE WORKS APARTMENTS – The news on this closing is closer than it has ever been. It is now scheduled for the first week of October and perhaps Ed Stock will be able to provide additional information on the status of the closing at the Board meeting.

As in noted before, this from what I have heard, is one of the most complicated deals people have seen and is the major reason why this is taking so long. I just hope it gets done before the cold shuts things down over the winter. The following is a preliminary schedule for the closing and must add that it has been revised more than once:

Monday, September 27 - Draft of Letter of Credit to cover Negative Arbitrage sent to Rating Agency

Thursday, September 30 - Rating Agency comments on Draft of Letter of Credit

Friday, October 1 - Revised Letter of Credit sent to Rating Agency for approval

Monday, October 4 - Rating Agency obtains committee approval for rating of the transaction

Tuesday, October 5 - Bond underwriter mails POS (preliminary offering statement) to potential bond investors

Tuesday, October 12 - Bond Pricing

Monday, October 25 - Pre-closing of Bond transaction

Wednesday, October 27 - Closing and Funding of Bond transaction

PUBLIC HOUSING HOMEOWNERSHIP – Total units sold 46, with 4 remaining, (2 occupied and 2 vacant). I still have not heard from our Public Housing Representative concerning the Board's interest in disposing of the remaining scattered site units. Despite this, we continue to work towards selling these units.

525 LANCASTER AVE BUILDING – Currently nothing has happened on this project since last month. From what I have seen, it does not appear the bank and/or the owner will be able to recoup all of the monies invested in this project and could be an issue for this building situation to be resolved. In addition, there could be some legal issues and or problems that could hold up any development of this building.

An appraisal has been completed and is awaiting information and or direction from the Bank on what they would like to do for this property.

SYLVANIA HOMES ANNUALIZED OCCUPANCY RATE %

2005			2006				2007			2008			2009				2010			
Jun	Sep	Dec	Mar	June	Sept	Dec	Mar	Jun	Sept	Dec	Mar	June	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun
93.7	94.7	93.9	92.7	92.6	93.2	94.8	96.1	95.9	95.1	94.0	93.8	94.9	96.2	97.8	97.8	96.9	97	96.6	96.6	96.9

As of August, Sylvania is 96.9% leased up and are doing well in this area.

SECTION 8 ANNUALIZED UTILIZATION (%) RATE

2005				2006				2007				2008				2009				2010	
June	Sept	Dec	Mar	June	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	
96.7	96	94.2	93.9	95.8	99.2	100.5	99.2	97.9	96	95.7	94.2	94.4	96.2	98.1	98.2	99.5	97.9	95.8	94.5	93.2	

The leasing rate for the last quarter is 93.2%. Please note the waiting list has been exhausted and we have advertised this and have received many applications. However, as we noted before, only 250 were randomly selected and letters with applications were sent to these people and the first ones to come back were placed on the list.

To date, RHA has sent letters on 09/22/2010 asking them to come in for the first interviews for the Section 8 Vouchers and this is the first step for them to become a voucher holder. Interestingly enough we still have not received all of the applications from the people who were randomly selected and unless we get something back, they will not be served.

PUBLIC HOUSING ANNUALIZED OCCUPANCY RATE (%)

2005		2006				2007				2008				2009				2010	
Sept	Dec	Mar	June	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun
96.6	96.9	97.2	97.4	97.3	97.3	97.5	98.1	98.2	98.3	98.4	98.4	98.4	98.4	98.5	98.6	98.7	98.8	98.8	98.8

The annualized vacancy rate for the last quarter shows a good leasing rate and translates into vacancy rate of 1.2% for RHA. This continues to be a decent occupancy rate even though it is slightly higher than the previous quarter. We continue to monitor our progress in this area and work towards improving the leasing rate, while everyone strives to attain 100% leasing rate.

ACCOUNTS RECEIVABLE (ANNUALIZED QUARTERLY) – PUBLIC HOUSING

2005				2006				2007				2008				2009				2010	
Jun	Sept	Dec	Mar	June	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	
2.3	2	2.4	3.2	2.6	3.1	2.4	2.9	1.8	2.5	2.5	1.8	1.7	1.9	2.3	2.10	2.3	2.5	3	3	2.90	

The Tar's are a slightly less this quarter, but we still need to work on this area. Staff is working hard to reduce these amounts in hopes to get them to a more reasonable level.

NEIGHBORHOOD STABILIZATION PROGRAM (NSP) – The City of Reading is the lead agency and we are partners in this project along with Our City Reading Inc. Currently, houses have been identified, appraisals have been received and offers are being made. An issue has come about in that some of the owners hear this is a government program and they increase the price to the point it is above the appraised value. This has been a factor in acquiring properties and because of the funding limitations and the amounts people want for their properties, it has delayed acquisition of the some properties.

This project is moving along, but not as fast as expected, though I believe it will move along faster in the coming months as the process evolves.

Vacant Unit Report as of September 22, 2010

	Units Scheduled	Unit Accepted By	Unit Scheduled	Unassigned	Total
	<u>To Be Leased</u>	<u>Eligible Applicant</u>	<u>Transfer</u>	<u>Units</u>	<u>Units</u>
Glenside	3	1	2	0	6
Hensler	0	0	0	0	0
Oakbrook	2	0	2	2	6
Franklin	0	1	0	0	1
Kennedy	2	0	0	0	2
Rhodes	0	0	0	1	1
Eisenhower	0	3	1	0	4
Hubert	0	1	1	0	2
Total Conventional					
Public Housing	7	6	6	3	22
Scattered Sites	0	0	0	2	2
Sylvania Homes	0	0	1	0	1
River Oak	1	0	0	0	1
726 N. 11 th Street	0	0	0	1	1
Total	8	6	7	6	27

Our current occupancy rate is high at 98.63% for Public Housing, but it is a little lower than what we have come to expect. While this is a good leasing rate especially if we take all of the units we manage (a total of 1800+) units our leasing rate comes to 98.50%. In addition, of the 27 vacant units, 8 are scheduled to be leased, 6 have been accepted by applicants and 7 are transfers. This leaves a total of 6 units that have not been assigned and staff is in the process of assigning them.

Staff continues to work towards a 100% percent leasing rate, but it is a very elusive target.

HUD REVIEWS – As part of the stimulus funding, HUD is sending staff to review the ways in which we have handled the stimulus monies and Public Housing has closed all of their findings or issues.

The HUD Labor Review response was sent down. We are waiting for a reply.

DEVELOPMENT WAITING LIST STATUS

<u>Bedroom Size</u>	<u>P/H</u>	<u>Contacting</u>	<u>Waiting Period</u>	<u>Sylvania</u>	<u>River Oak</u>
Studio	166	03/08	27 months	N/A	N/A
One Bedroom-Family/Elderly	182	04/09	24 months	8	N/A
Two Bedroom Family	216	04/08	21-30 months	30	9
Three Bedroom Family	172	02/08	36 months	14	4
Four Bedroom Family	10	10/07	36 – 48 months	9	N/A
Five Bedroom Family	13	05/10	6-12 months	N/A	N/A
Total	739			61	13

The Board can see the waiting list has gone down considerably due to purging of the waiting list which went from over 1200+ people on the waiting list to 739. The reason for purging a waiting list is to find out if the people who applied for housing in 2008 and 2009 are still interested and or are still at the address we have on waiting list.

It maybe possible we could be opening up the one bedroom unit sizes in the coming months as staff believes we will need some applicants.

FRANKLIN PARKING LOT – The owner of this property has been very unresponsive and frankly has not been very cooperative in this whole process. We received a letter from them informing us they were going to install a fence along the property line and had/have no interest in working out any agreement to mutually manage the parking lot.

We feel there are some issues which they have not adequately researched which are the following:

1. The current driveway is a paper street and has never been abandoned and therefore fencing cannot be erected.
2. The City of Reading Fire Marshall may not permit this because of access to the back of the buildings in case of a fire.
3. By moving the entrance to another location, they will lose a number of spaces and in my estimation far more spaces than if they had left the lot the same and provided us with a couple of spaces.

I have put this on the agenda for discussion as I am very concerned with the lack of understanding, cooperation and willingness, to at the very least, negotiate some type of agreement. I am at a loss as to the reason they are unwilling to work with us on a solution.

CITY WIDE RESIDENT COUNCIL (CWRC) – We are awaiting a budget from the CWRC based on the Board resolution so nothing has been done to date regarding this program. Once a budget has been submitted, we will accept invoices based on their budget.

Stacey may be able to give an update on this program as I have not seen anything regarding this program.

COMPUTERS – RHA staff received a number of applications for the computers and is reviewing the applications to determine the family or person in the greatest need and who would have the greatest benefit. Overall this program appears to be a success, as we received many more applications than we had computers.

Now staff is in the midst of reviewing the applications to find the neediest families who could or will get the most out of these computers.

RENTAL ASSISTANCE FOR NON-ELDERLY PERSONS WITH DISABILITIES VOUCHER APPLICATION – This application is still active and we are waiting to hear if it was successful. I will keep you apprised of any developments in this application.

ARTIST HOUSING – There has been no change in the status of this program as yet, though there has been discussion that some of the housing for the NSP program can be used for artist housing of some way. This will be an ongoing program as we go forward.

ENERGY SAVINGS PROGRAM WITH HONEYWELL – An important part of the Energy Saving Program initiative with Honeywell has been to educate and engage residents in the process. To date, our ‘Resident Trainers’ have attempted door-to-door education to every unit in our public housing program. Trainers have also delivered group presentations to each of our 7

resident councils. The final component of resident education will be directed at youth members of our households in Oakbrook and Glenside Homes.

RHA is conducting a poster contest entitled “Energy Savings Begins at Home”. Energy savings programs will be conducted on Wednesday, October 6 @ 5pm @ Glenside Homes Olivet Boys and Girls Club (now located at Christ Lutheran Church, 1301 Luzerne Street) and Thursday, October 7 @ 5pm @ Oakbrook Homes Olivet Boys and Girls Club. The program will conclude with instructions as to how to participate in the poster contest. We have partnered with Villa (formerly known as Sneaker Villa) to provide giveaways to all students who participate. We will provide 6 Villa gift certificates (ranging from \$25 to \$100) in each development for the 12 winning submissions.

The award ceremonies will occur on Tuesday, October 26 @ 5:30pm @ Oakbrook (immediately following the Board Meeting) and Thursday, October 28 @ 5:30 @ Glenside. We are hopeful that funding will permit us to publish a 2011 calendar comprised of the winning submissions which can be distributed to all public housing households as a monthly reminder of our partnership in energy savings. We also hope to take our students out to resident council meetings throughout the year, touting their entries and reminding residents of the day-to-day efforts in energy savings.

Board members are invited to help us in selecting the winning submissions. Please contact Stacey Keppen @ 610-376-8413 or skeppen@readingha.org if you would be willing to assist in the week prior to the ceremony.

MUNICIPAL HEALTH POOL SEMINAR – We attended a seminar that was intended to determine interest in developing a pool of Housing Authorities for health care. While it sounds interesting and would be nice to have something like this, we have no idea as to whether it will be cost effective. We submitted our information to see what the costs will be for this type of program.

2011 ANNUAL PLAN – In your packets is the Annual Plan for your review and as of last year there have not been any changes of any magnitude in the policies and or procedures. The area where most change occurred is in the Capital Fund which represents the work items we plan to complete in the coming year. As we noted before, unless we are able to use other funds we will use these funds to build our handicapped accessible units. If we are able to use other funds to build the handicapped units we will revise our Capital Fund work items and do those work items.

RETIREMENT - This month Tom Marsh announced that he is retiring at the end of September and he will be sadly missed by all. Unfortunately, he will not be at the Board meeting for he has scheduled something during that time.

As we have begun searching for a replacement, the Civil Service list does not have any one with the experience we need for this position and have taken steps to extend the search. The first thing we did was contact a company who consults on how to deal with Civil Service and we have signed an agreement to have them help us through this process.

In addition, we have contacted Blosky and Associates who will be providing short term assistance for a Comptroller until the position is filled at a daily rate as we are having issues with Civil Service and it may take a while to get a new list.

MEETINGS

- PAHRA Meeting.
- Municipal Health Pool Seminar.

A motion was made by Mrs. Acosta and second by Mrs. Mathies, to accept the report of the Executive Director. The motion was carried unanimously.

The following Resolution was read and considered:

RESOLUTION NO. 5506

RESOLUTION ACKNOWLEDGING THOMAS B. MARSH'S
FOURTEEN PLUS [14+] YEARS OF EMPLOYMENT BY
THE READING HOUSING AUTHORITY.

WHEREAS, Thomas B. Marsh was employed by the Reading Housing Authority for fourteen plus [14+] years. His tenure of service began November 27, 1995, as a Comptroller. His retirement from the position of Comptroller will be effective September 30, 2010.

BE IT RESOLVED AND IT HEREBY IS RESOLVED that the Reading Housing Authority acknowledges with gratitude and appreciation Thomas B. Marsh's fourteen plus [14+] years of employment.

Mr. Colon introduced and moved the adoption of the Resolution as read, and which motion was second by Mrs. Mathies, and upon roll call the Ayes and Nays were as follows:

Ayes: Mrs. Rebecca Acosta
Mr. Eligio Colon, Jr.
Mrs. Lillie Mathies
Rev. Steven Belinski

Nays: None

The Acting Chairman thereupon declared the said motion carried and the said Resolution adopted:

The following Resolution was read and considered:

RESOLUTION NO. 5507

RESOLUTION APPROVING A REGULAR STATUS
MANAGEMENT AIDE.

WHEREAS, probationary period of 180 days for Agnes Khader ends September 13, 2010, in accordance with the rules and regulations of the Civil Service Commission of the State of Pennsylvania.

NOW, THEREFORE, BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT Agnes Khader is approved as a regular status Management Aide.
2. THIS Resolution shall be effective September 14, 2010.

Mr. Colon introduced and moved the adoption of the Resolution as read, and which motion was second by Mrs. Acosta, and upon roll call the Ayes and Nays were as follows:

Ayes: Mrs. Rebecca Acosta
Mr. Eligio Colon, Jr.
Mrs. Lillie Mathies
Rev. Steven Belinski

Nays: None

The Acting Chairman thereupon declared the said motion carried and the said Resolution adopted:

The following Resolution was read and considered:

RESOLUTION NO. 5508

**RESOLUTION APPROVING A REGULAR STATUS
MANAGEMENT AIDE.**

WHEREAS, probationary period of 180 days for Merida Negron ends September 17, 2010, in accordance with the rules and regulations of the Civil Service Commission of the State of Pennsylvania.

NOW, THEREFORE, BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT Merida Negron is approved as a regular status Management Aide.
2. THIS Resolution shall be effective September 18, 2010.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Mr. Colon, and upon roll call the Ayes and Nays were as follows:

Ayes: Mrs. Rebecca Acosta
Mr. Eligio Colon, Jr.
Mrs. Lillie Mathies
Rev. Steven Belinski

Nays: None

The Acting Vice Chairman thereupon declared the said motion carried and the said Resolution adopted:

The following Resolution was read and considered:

RESOLUTION NO. 5509

**RESOLUTION APPROVING CHANGE ORDER NO. 1 TO
THE CONTRACT WITH WESTCHESTER ENVIRONMENTAL, LLC.**

BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the Commissioners of the Reading Housing Authority do hereby approve Change Order No. 1 submitted by Westchester Environmental, LLC (West Chester, PA), in the amount of \$24,706.00.

Description of Change:

Additional sample collection, analysis and air monitoring in regard to partition wall removal and drywall compound.

Statement of Justification: The discovery of asbestos containing material in the drywall compound at Franklin, Kennedy, Rhodes, Eisenhower, and Hubert Apartments led to increased cost at each of the five high-rise buildings. All unit cost for sampling, analysis and air monitoring services were publicly bid.

Westchester Environmental, LLC, is the Contractor providing third party air monitoring at all the High Rises.

2. THIS Resolution shall be effective September 28, 2010.

Mr. Colon introduced and moved the adoption of the Resolution as read, and which motion was second by Mrs. Acosta, and upon roll call the Ayes and Nays were as follows:

Ayes: Mrs. Rebecca Acosta
Mr. Eligio Colon, Jr.
Mrs. Lillie Mathies
Rev. Steven Belinski

Nays: None

The Acting Vice Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5510

RESOLUTION APPROVING CHANGE ORDER NO. 1 TO
THE CONTRACT WITH Z & F CONSULTING.

BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the Commissioners of the Reading Housing Authority do hereby approve Change Order No. 1 submitted by Z & F Consulting (Wayne, PA), in the amount of \$15,000.00.

Description of Change:

- | | |
|--|-------------|
| • Upgrade of electrical system due to handling increased generator capacity. | \$ 2,700.00 |
| • Structural pad upgrade to allow for increased load of equipment. | \$ 2,400.00 |

- Design of low temperature and high temperature cooling circuits to accommodate larger generator. \$ 3,300.00
- Additional time for specifying more sophisticated control equipment. \$ 1,800.00
- Increased Contract Administration time for shop drawing reviews. \$ 1,500.00
- Additional time to coordinate with local utility company to allow for increased generator size and output. \$ 3,300.00

Statement of Justification: Phase I energy analysis and recommendations included a cogeneration unit larger in capacity than budgeted by Reading Housing Authority. As a result, the original construction scope and equipment has been upgraded. Additional engineering design and documentation is required due to the increased capacity of the cogeneration plant.

2. THIS Resolution shall be effective September 28, 2010.

Z & F Consulting is the Engineering Firm for services to perform a feasibility study and to design a co-generation plant at Glenside Homes.

Mr. Colon introduced and moved the adoption of the Resolution as read, and which motion was second by Mrs. Mathies, and upon roll call the Ayes and Nays were as follows:

Ayes: Mrs. Rebecca Acosta
Mr. Eligio Colon, Jr.
Mrs. Lillie Mathies
Rev. Steven Belinski

Nays: None

The Acting Vice Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5511

RESOLUTION APPROVING CHANGE ORDER NO. 6 TO THE CONTRACT WITH SIMERAL CONSTRUCTION COMPANY.

BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the Commissioners of the Reading Housing Authority do hereby approve Change Order No. 6 submitted by Simeral Construction Company (Lititz, PA), in the amount of \$96,199.70.

Description of Change:

- Additional time and costs for the required additional and unplanned work necessary to "Abate" the wall gypsum in the Rhodes building. \$23,212.74
- Additional costs to provide 3M firesafeing at the tub drain in one hundred forty-one (141) apartments within the Rhodes building. \$28,193.96
- Additional plumbing work in the Hubert building (relating to existing conditions). \$ 3,910.10

- Additional work, required for unforeseen thermostat condition/pantry wall conflict with 130 apartments in the Eisenhower/Rhodes buildings. \$ 7,554.20
- Steel stud and drywall work involving the additional soffit to enclose the range wiring within 52 units in the Eisenhower/Rhodes buildings. \$33,328.70

Statement of Justification: The fire stopping is required by City of Reading Fire Marshall and Universal Building Code. Abatement quantities have been reviewed and approved by RHA and its Environmental Consultant. Drywall soffits became necessary in random units where new range cabling could not be pulled through existing conduits.

Simeral Construction Company is the General Contractor providing kitchen renovations at all the High Rises.

2. THIS Resolution shall be effective September 28, 2010.

Mr. Colon introduced and moved the adoption of the Resolution as read, and which motion was second by Mrs. Mathies, and upon roll call the Ayes and Nays were as follows:

Ayes: Mrs. Rebecca Acosta
Mr. Eligio Colon, Jr.
Mrs. Lillie Mathies
Rev. Steven Belinski

Nays: None

The Acting Vice Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5512

RESOLUTION APPROVING THE TERMS AND AUTHORIZING THE
EXECUTION OF A CONTRACT WITH POLCARI & COMPANY FOR
TWO CONSECUTIVE ANNUAL FINANCIAL AUDITS [FYE 3/31/10 – 3/31/11]
OF ALL FEDERALLY REGULATED PROGRAMS AND SYLVANIA HOMES.

BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the terms of the contract with Polcari & Company (Wayne, NJ) for two consecutive annual financial audits [FYE 3/31/10 – 3/31/11], with the option to renew, of all federally regulated programs and Sylvania Homes, are hereby approved, the said Contract to be in substantially the following form:

CONTRACT ON FILE IN THE COMPTROLLER'S OFFICE.

2. The said Contract in the amount of \$14,490.00 is the lowest acceptable bid as reviewed and approved by the Solicitor.

3. This Resolution shall be effective September 28, 2010.

Mr. Colon introduced and moved the adoption of the Resolution as read, and which motion was second by Mrs. Acosta, and upon roll call the Ayes and Nays were as follows:

Ayes: Mrs. Rebecca Acosta
Mr. Eligio Colon, Jr.
Mrs. Lillie Mathies
Rev. Steven Belinski

Nays: None

The Acting Vice Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following charge-offs were presented for Glenside Homes, Oakbrook Homes, Kennedy Towers, Eisenhower Apts., Sylvania Homes, River Oak Apts:

CHARGE-OFFS

5	Glenside Homes PA-9-1	\$ 7,850.69	
7	Oakbrook Homes PA-9-3	2,587.46	
5	Kennedy Towers PA-9-5	1,371.59	
1	Eisenhower Apts. PA-9-8	68.80	
1	Sylvania Homes P-15	321.29	
2	River Oak Apts.	1,658.00	
21	Gross Charge-Offs		<u>\$ 13,857.83</u>

RECOVERIES

Hubert Apts PA-9-10	523.80
Scattered Sites PA-9-13/17	50.00
Oakbrook Homes PA-9-3	1,272.62
Rhodes Apts PA-9-6	129.84

Gross Recoveries \$ 1,976.26

CHARGE-OFFS NET OF RECOVERIES \$11,881.57

10 Accounts Charged Off Due to Eviction \$ 9,808.82

Delinquent accounts with an amount of less than \$75.00, of tenants who decess or leave public housing and enter a nursing home or public health care facility are not to be sent to the collection agency.

All delinquent accounts of Federal Low-Income Housing and Sylvania Homes Middle-Income Housing shall be collected in a manner that is consistent with the applicable Federal Rent Collection Policy.

A motion was made by Mr. Colon second by Mrs. Mathies to concur with the recommendation to write the potential uncollectible amount off the books. This motion was carried unanimously.

There being no further business to come before the Commissioners, a motion was made by Mr. Colon and second by Mrs. Acosta, to adjourn the meeting. The motion was carried unanimously.

The next regular meeting of the Reading Housing Authority is scheduled to be held at William W. Willis Center for Administration, 400 Hancock Boulevard, Reading, Pennsylvania on Tuesday, October 26, 2010, at 5:00 p.m.

Recording Secretary